

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 2001

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Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS TAYMAN TO INTERROGATORY  
OF UNITED PARCEL SERVICE  
(UPS/USPS-T6-9)

The United States Postal Service hereby provides the response of witness Tayman to the following interrogatory of United Parcel Service: UPS/USPS-T6-9, filed on October 10, 2001. Interrogatories UPS/USPS-T6-1-6 were redirected to witness Patelunas and interrogatories UPS/USPS-T6-7 and 8 were redirected to witness Cochrane.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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Chief Counsel, Ratemaking

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Scott L. Reiter

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October 24, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TAYMAN  
TO INTERROGATORY OF UNITED PARCEL SERVICE

**UPS/USPS-T6-9.** Refer to USPS-LR-J-49, spreadsheet "Prg\_01\_s.XLS" page "HQ & FSU," line item "HQ & Field Service Units."

- a. How much of the total \$171,869,000 in FY 2001 is caused by the move of the Sales Function from the field to Headquarters? Describe in detail how this figure was estimated, and include citations for inputs.
- b. How much of the total \$21,806,000 in FY 2002 is caused by the move of the Sales Function from the Field to Headquarters? Describe in detail how this figure was estimated, and include citations for inputs.

**RESPONSE:**

- a. I have estimated the impact to be \$51,063,000. The number of staff involved in the transfer from the field to Headquarters was determined to be 1,267 based on personnel data. This amount can be multiplied by 6/13 to account for the fact that the transfer was effective in accounting period 7 of FY 2000. This results in the number of workyears that would be added to the FY 2000 base (585) to arrive at the FY 2001 estimate for Headquarters. The increase in workyears can then be multiplied by the FY 2001 average personnel cost for Headquarters of \$87,288 (see Exhibits D and H in LR J-49) to arrive at the FY 2001 dollar impact.
- b. None. The transfer was fully effective in FY 2001.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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Scott L. Reiter

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October 24, 2001